

Company Registration Number: 09016294 (England & Wales)

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

Members J Griffiths
J Reynolds
R Davis
E Grundy

Trustees R Davis, Chair of Trustees¹
J Conn
A Dawkins
M Jenkins¹
R Martins¹
C McMillan-Jackson
N Shaw¹
T Staunton
D Stevenson
A Pyatt¹
G Freer (appointed 26 January 2024)

¹ The Finance and Resources Committee

Company registered number 09016294

Company name Watford St John's Church of England Primary School

Principal and registered office 32 Clarendon Road
Watford
Hertfordshire
WD17 1JJ

Senior management team A Pyatt, Headteacher
S Thompson, Deputy Headteacher
A Stevens, SENCo
W Hall, School Business Manager

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Independent auditor	Hillier Hopkins LLP Chartered Accountants Statutory Auditor Radius House 51 Clarendon Road Watford Herts WD17 1HP
Bankers	Lloyds Bank PLC Threadneedle Street (306541 Branch) PO Box 1000 BX1 1LT
Solicitors	Stone King LLP Boundary House 91 Charterhouse Street London EC1M 6HR

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2024

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the 1 September 2023 to 31 August 2024. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The trust operates a single academy, Watford St John's Church of England Primary School, for pupils aged 4 - 11 in central Watford. Currently, the school has a pupil capacity of 390 between Reception and Year 6. The school has 376 pupils on roll as per the autumn census on 5th October 2023. The school operated as 1 form entry for the first 2 years of its existence due to the constraints of the temporary accommodation. In September 2018, the school reverted to its intended 2 form entry intake for Reception.

Structure, governance and management

a. Constitution

The academy is a charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum and Articles of Association are the primary governing documents of the academy trust.

The Trustees of Watford St John's Church of England Primary School are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Watford St John's Church of England Primary School.

Details of the Trustees who served during the year, and to the date these accounts are approved are included in the Reference and administrative details on page 1.

b. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

c. Trustees' indemnities

The academy is a member of the Risk Protection Arrangement (RPA). Under this arrangement, the limit of liability shall be £10,000,000 each and every loss.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Structure, governance and management (continued)

d. Method of recruitment and appointment or election of Trustees

The management of the academy is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. These are contained in articles 45 - 59. The members of the Trust appoint a minimum of 8 Trustees of whom the incumbent (Priest of the Parish) is both a Member and a Trustee. The members may appoint up to 2 staff Trustees through such process as they may determine. It is expected that the Headteacher will be a Trustee, except where they elect not to be. The two parent Trustees shall be elected by parents of registered pupils at the academy. If the number of parents standing for election is less than the number of vacancies, the Trustees may appoint a parent Trustee. In this case, they shall appoint a parent of a registered pupil at the school or, where it is not reasonably practical to do so, a person who is the parent of a child of compulsory school age. The Trustees, with the consent of the Diocesan Board of Education, may appoint up to 2 co-opted Trustees for such term (not exceeding four years) and otherwise upon such conditions as they shall think fit. The Trustees may not co-opt an employee of the Trust as a co-opted Trustee if thereby the number of Trustees who are employees of the Trust would exceed one third of the total number of Trustees (including the Headteacher).

e. Policies adopted for the induction and training of Trustees

The Induction process is contained within the Governance Plan. All new Trustees are provided with an induction pack when they first become a Trustee and are required to attend Trustee Induction Training (currently provided by Herts for Learning). The training and induction for new Trustees is co-ordinated by the Chair of Trustees and Trustees are expected to attend at least one training event per school year. This may take the form of completing online training depending upon the training need.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Structure, governance and management (continued)

f. Organisational structure

The leadership structure consists of the Trustees and the Senior Leadership Team (SLT). This aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Headteacher is the Accounting Officer.

The Trustees are responsible for setting general policies, adopting the school's one year and four year School Strategic Plans, the annual budget, approving the accounts, monitoring the use of budgets and other data and making major decisions about the strategic direction of the Free School, its capital expenditure and staff appointments.

The SLT currently consists of the Headteacher, Deputy Headteacher, SenCo and the School Business Manager. The Headteacher, supported by the SLT controls at an executive level, implementing policies set by the Board of Trustees.

The Headteacher, as Principal Accounting Officer, is responsible for the authorisation of spending within agreed budgets; a summary of this is contained in the Schedule of Financial Delegation.

Subject to the provisions of the Companies Act 2006, the Articles and to any directions given by Special Resolution, the business of the Academy Trust shall be managed by the Trustees who may exercise all the powers of the Trust. No alteration of the Articles and no such direction shall invalidate any prior act of the Trustees which would have been valid if the alteration had not been made or that direction had not been given. The powers given by the Article shall not be limited by any special power given to the Trustees by the Articles and a meeting of Trustees at which a quorum is present may exercise all the power exercisable by the Trustees. In addition to all powers hereby expressly conferred upon them and without detracting from the generality of their powers under the Articles, the Trustees shall have the following powers, namely:

- a) To expand the funds of the Academy Trust in such a manner as they shall consider most beneficial for the achievement of the Object and to invest in the name of the Academy Trust such part of the funds as they may see fit and to direct the sale or transposition of any such investments and to expand the proceeds of an such sale in furtherance of the Object, and
- b) To enter into contracts on behalf of the Academy Trust.

In the exercise of their powers and functions, the Trustees may consider any advice given by the Headteacher and any other executive officer.

The Trustees may delegate any of their powers or functions (including the power to sub-delegate) to any Trustee, committee, the Headteacher or any other holder of an executive office. Any such delegation may be made subject to any conditions the Trustees may impose and may be revoked or altered. Where any power or function of the Trustees is exercised by any committee, and Trustee, Headteacher or any other holder of an executive office, or a person to whom a power or function has been sub-delegated, that person or committee shall report to the Trustees in respect of any action taken or decision made with respect to the exercise of that power or function at the meeting of the Trustees immediately following the taking of the action or the making of the decision.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Structure, governance and management (continued)

g. Arrangements for setting pay and remuneration of key management personnel

The Senior Leadership Team's pay is linked to the performance management structure and any recommendations from the outcome of the performance management are considered by the Pay Committee and then are placed for approval by the Board of Trustees.

h. Trade union facility time

The trust does not employ more than 49 full time equivalent employees. However, for transparency, we have no employees who were relevant union officials during the relevant period.

i. Related parties and other connected charities and organisations

The Parochial Church Council ('PCC') of St John the Apostle & Evangelist, Watford, is linked to the school and its Vicar and members of the PCC are Trustees.

Objectives and activities

a. Objects and aims

The Academy Trust's object is specifically restricted to the following: To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school with a designated Church of England religious character offering a broad and balanced curriculum conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship, and having regards to any advice of the Diocesan Board of Education.

b. Objectives, strategies and activities

Our key objectives for the period ending 31 August 2024 were:

- To ensure the strong Christian ethos of the school is maintained in the absence of the Incumbent.
- To ensure the quality of provision in EYFS is good and connections with the KS1 curriculum are meaningful and planned for.
- To develop curriculum leaders by strengthening support for them and having clear processes and procedures around standards and assessment for all areas of the curriculum; particularly in writing and phonics.
- To embed the new leadership structure and strengthen distributed leadership throughout the school.
- To ensure the smooth running of the school; including safeguarding, financial management and business continuity plans.

c. Public benefit

In setting our objectives and planning our activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. The school prides itself on being an active member of the community with public benefit extending beyond the school walls.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Strategic report

Achievements and performance

The academic year 2023/24 was our eighth year of operation and our sixth year in our purpose built permanent school building.

Despite the challenges faced ordinarily we managed to achieve a small operational deficit for the year drawing on available reserves.

As we move towards our full capacity, each year we undergo a recruitment process for new staff members. We have successfully filled open positions and continue to build a capable and dedicated team.

Delivering the curriculum to high standards has been achieved. With the benefit of a sixth year in our new building we continued to enhance and develop our systems and processes, continually being mindful of our growth and requirements in the longer term. All financial decisions continue to be made to ensure that the best possible staffing and resources can be provided for all children and allow them to flourish in the school whilst working within our budgetary constraints.

We would like to acknowledge the hard work of all the staff and the diligent commitment to the development of the school and the progress of all our children shown by all our Trustees.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Strategic report (continued)

Achievements and performance (continued)

a. Key performance indicators

To track the progress of the Trust, Trustees use several key performance indicators in relation to:

- Student outcomes
- Student Attendance
- Staffing (including well-being)
- Finance

1. Student Attendance

Students (number)	375
Fill Rate (%)	94.8%
Absence Rate (%)	5.2%

2. Key Stage 2 Outcomes

Students achieving expected standard in:

Reading (%)	65.5%
Writing (%)	56.7%
Maths (%)	55%
SPAG (%)	55%
RWM (%)	41%

3. Staff Wellbeing (% Agree or Strongly Agree)

My work has a positive impact on my Mental Health and Wellbeing	61% (2023: 52%)
I believe I work in an excellent organization	80% (2023: 80%)
I feel recognised for my contribution at school	52% (2023: 49%)

4. Financial

Income	Total income £2.4m
Reserves as a proportion of income	7.2%

b. Going concern

The Trust is no longer deemed to be a going concern. On the 1 September 2024 the Primary School transferred to Poppy Academy Trust. The dissolution of Watford St John's Church of England Primary School will then take place.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Strategic report (continued)

Financial review

The financial objectives for the year involved maintaining a balanced budget. In the circumstances, the challenges of managing staff resources, the school's primary outlay, and ensuring that the school met its commitments in continuing to provide the core educational provision for our pupils resulted in a small operational deficit and a call on brought forward reserves. The school continues to grow apace, however, there is a well-established culture of controlling expenditure and ensuring a high level of value for money.

The primary source of funding for the school has been from the ESFA in the form of the General Annual Grant (GAG), capital grants and other grants. 2023/24 was a challenging year in terms of financial planning. Although the budget was formulated on a zero based approach, estimates had to be based on the best information available at the time. We continue to learn and acclimatize to a new building, time needs to elapse before we can establish with certainty the related fixed non-staffing costs such as utilities.

a. Reserves policy

Our reserves policy is essentially focused on the level of cash required to be maintained to ensure the continued operation of the school.

The Trustees have determined that the appropriate level of cash to be maintained should be equivalent to 6 weeks average operating expenses. This has been calculated as £125,000 therefore we aim to maintain cash in the bank to that level. This level of cash will provide sufficient working capital to cover delays between spending and receipt of income and to provide a cushion to facilitate any unexpected emergencies, such as urgent property maintenance.

The level of cash reserves will be reviewed at least annually by the Trustees.

As of 31 August 2024, the school has £171,358 of unrestricted reserves, £6,939,468 of restricted fixed asset reserves (of which £6,938,601 relates to the net book value of tangible fixed assets, £4,733 relates to devolved formula capital funding, and £36,710 relates to EFSA capital grant available to carry forward to the next period) and £nil restricted reserves (excluding pension reserves). The pension reserves stands at a surplus/deficit of £nil. The net surplus of restricted and unrestricted funds (excluding pension reserve) is £171,358 as per note 17.

The current reserves are comparatively low for a 2 form entry primary school. However, we are a continually growing school and anticipate that we will be able to grow our reserves in the future with the possibilities around leasing and raising additional funds. The Trustees are satisfied that there are sufficient cash reserves to be able to continue the operation of the school.

b. Investment policy

The purpose of the Investments Policy is to set out the processes by which Academy Trustees will meet their duties under the Academy's Articles of Association and Academies Financial Handbook issued by the ESFA to invest monies surplus to operational requirements in furtherance of the Academy's charitable aims and to ensure that investment risk is properly and prudently managed. Should significant unrestricted reserves be achieved in the future, consideration would be given to evaluating the most appropriate investment opportunity, including placing them on deposit for a period that the school deems will maintain sufficient operating liquidity. We currently do not hold any investments.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

c. Principal risks and uncertainties

The Trustees consider the following to be our principal risks and uncertainties for the future, as defined within our risk register.

Funding allocations and their impact on financial viability: The Trust acknowledges that future government decision on funding allocations, given that funding accounting for the vast majority of the school's income, can have an adverse effect on the overall financial viability of the school. Although these funding decisions are beyond what the trustees can control, it is important to note them here and ensure that we have robust monitoring systems in place to ensure that the budget set is robust and managed well. It is also noted that the variation in how funding is allocated means that the flow of income may not match the flow required for expenditure although they are balanced overall.

Future pupil recruitment: During our opening year, and for several years previously, local demand for school places was greater than the number of places available. Watford as a town is increasing its housing substantially over the forthcoming years, but there is also an additional primary school proposed within a comparatively short distance from our site. We continue to monitor the pupil number forecasts.

Brexit: The exact impact of Brexit cannot be quantified at this time. However, it has the potential to impact on pupil recruitment, recruitment of staff, as well as any impact on the cost of services and products. At this time, we have not seen a significant impact.

Premises: Our new modern building has been built with efficiency in mind. However, we have the costs associated with running an entire building, albeit an efficient one, without the associated full complement of pupils and their funding.

Staffing: We have invested in staff wellbeing to be able to retain staff. Teacher recruitment is still an issue for most schools. We maintain links with the University of Hertfordshire, which has impacted upon our staffing by working with student teachers, and will continue to network to find and recruit good quality teachers. Although staffing represents the largest proportion of our expenditure, it is important to maintain staffing levels that support our children in our specific school environment.

Governance: We need to ensure that where recruitment is required, that the key skills of the Governing Body are maintained and focused on those skill sets required to challenge and support the school in the future.

Wider economic uncertainty: Inflation continues to be above government targets and expected to remain high for the foreseeable future leading to pressure on all costs in the budget.

Fundraising

The academy does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees.

Plans for future periods

The Trustees recognise that, to continue to support its pupils and to deliver value for money, economies of scale need to be delivered as well as maintaining excellent staff, systems and processes. To that end the Trustees have concluded that joining a Multi-Academy Trust would be in the best interests of the school. The Trust has had approval from the Secretary of State for Education to join the Poppy Academy Trust, which is effective from 1st September 2024. All assets and liabilities have been transferred to Poppy Academy Trust as at 1st September 2024.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Funds held as custodian on behalf of others


The academy has not acted as a custodian trustee in the period.

Disclosure of information to auditor

Insofar as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware, and
- That Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 18-12-2024 | 08:41 PST and signed on its behalf by:

DocuSigned by:

D18341829E99465...

.....
R Davis
Chair of Trustees

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
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GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Watford St John's Church of England Primary School has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

As Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The board of Trustees has delegated the day-to-day responsibility to the Headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Watford St John's Church of England Primary School and the Secretary of State for Education. They are also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

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GOVERNANCE STATEMENT (CONTINUED)

Governance

The information on governance included here supplements that described in the Trustees' report and in the statement of trustees' responsibilities. The board of Trustees has formally met 5 times during the year.

All meetings held in-person but with attendance permitted via online videocall. Attendance during the year at meetings of the board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
R Davis, Chair of Trustees	5	5
J Conn	5	5
A Dawkins	5	5
M Jenkins	4	5
R Martins	1	5
C McMillan-Jackson	4	5
N Shaw	5	5
T Staunton	4	5
D Stevenson	4	5
A Pyatt	5	5
G Freer (Appointed 26 January 2024)	3	3

The Board carried vacancies for a Parent Trustee and for the Incumbent Trustee for the full year. The Board also carried a vacancy for a Member Appointed Trustee for the period September-December 2023.

During the 2023-24 period, no trustees resigned, and one Member appointed trustee was appointed.

Trustees are regularly in school, not only for attendance at committee meetings, but to see such things as Collective Worship and to watch lessons and activities. This allows the testing of the reporting of the data and such things as behaviour given to the Trustees by the Headteacher is robust.

The quality of the data provided to Trustees is of a good standard and is rigorously reviewed by the appropriate committees, attended by those with relevant skills.

The Finance and Resources Committee is a committee of the main board of Trustees. Its purpose is to work with the Headteacher, as accounting officer, and the School Business Manager to ensure that financial decisions enable the school to provide value for money, and to ensure that processes are compliant with The Academies Financial Handbook.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
M Jenkins	6	6
A Pyatt	6	6
R Davis	5	6
R Martins	5	6
N Shaw	5	6

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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

As accounting officer, the Headteacher has responsibility for ensuring that the academy delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the academy's use of its resources has provided good value for money during each academic year, and reports to the board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for the academy has delivered improved value for money during the year by:

- Ensuring that the school budget planning allowed for quality provision for children's needs to be met.
- Focusing on a prudent mindset with value for money at the forefront in the provision of services and support to the children's needs in the school. Given the uncertainties of costs in relation to the increasing age of the new school, economic increases in costs of subscriptions, contracts and resources and the cost of quality staff in the school.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Watford St John's Church of England Primary School for the year 1 September 2023 to 31 August 2024 and up to the date of approval of the annual report and financial statements.

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GOVERNANCE STATEMENT (CONTINUED)

Capacity to handle risk

The board of Trustees has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks that has been in place for the year 1 September 2023 to 31 August 2024 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees.

The risk and control framework

The academy's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of Trustees
- regular reviews by the Finance and Resources Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks

The Board of Trustees has decided to employ Thorne Widgery as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy's financial systems. The checks carried out in the current period included Payroll, HR review, Risks, Cyber Security & Policies.

On an annual basis, the internal auditor reports to the board of Trustees through the Finance and Resources Committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

The Board of Trustees have made arrangements for the establishment of an Audit & Risk Assurance Subcommittee with specific responsibilities for progressing the internal assurance procedures, which has included a commissioning of work by the Internal Auditor to bring matters up to date whilst also developing an ongoing termly programme of internal assurance.

Both Internal and External Auditors have made recommendations and the Board of Trustees is working towards implementing these recommendations where they have not already been addressed.

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GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

As accounting officer, the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:


- the work of the internal auditor;
- the work of the executive managers within the academy who have responsibility for the development and maintenance of the internal control framework.
- the work of the external auditor;

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance and Resources committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Conclusion


Based on the advice of the audit and risk committee and the accounting officer, the board of trustees is of the opinion that the academy trust has an adequate and effective framework for governance, risk management and control.

Approved by order of the members of the Board of Trustees and signed on their behalf by:

DocuSigned by:

.....D18341829E09465.....

R Davis
Chair of Trustees

Date: 18-12-2024 | 08:41 PST

DocuSigned by:

.....6FD37F18CEB74D1.....

A Pyatt
Accounting Officer

18-12-2024 | 16:48 GMT

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
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STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Watford St John's Church of England Primary School I have considered my responsibility to notify the academy board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy, under the funding agreement in place between the academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Trust Handbook 2023.

I confirm that I and the academy board of Trustees are able to identify any material irregular or improper use of all funds by the academy, or material non-compliance with the terms and conditions of funding under the academy's funding agreement and the Academies Trust Handbook 2023.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the board of Trustees and ESFA.

DocuSigned by:

Anna Pyatt

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A Pyatt
Accounting Officer

Date: 18-12-2024 | 16:48 GMT

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2024

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Academies Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:


- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Trustees and signed on its behalf by:

DocuSigned by:

D18341829E99465.....

R Davis
Chair of Trustees

Date: 18-12-2024 | 08:41 PST

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL**

Opinion

We have audited the financial statements of Watford St John's Church of England Primary School (the 'academy') for the year ended 31 August 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024 issued by the Education and Skills Funding Agency.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter - financial statements prepared on a basis other than going concern

We draw attention to Note 2.2 in the financial statements, which explains that the Trustees intend to disperse the trust and therefore do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly the financial statements have been prepared on a basis other than going concern as described in Note 2.2. Our opinion is not modified in respect of this matter.

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL (CONTINUED)**

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the Strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL (CONTINUED)**

Responsibilities of trustees

As explained more fully in the Statement of trustees' responsibilities, the Trustees (who are also the directors of the academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the academy or to cease operations, or have no realistic alternative but to do so.

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL (CONTINUED)**

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- the control environment and performance of the Academy, including the remuneration incentives and pressures of key management;
- the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management. We consider the results about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Academy's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;

The matters discussed among the audit engagement team, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override, including testing journals and evaluating whether there was evidence of bias by the Trustees that represented a risk of material misstatement due to fraud.

We also obtained an understanding of the legal and regulatory frameworks that the academy operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006, the Charities SORP 2019, the Academies Accounts Direction 2023 to 2024 and relevant tax legislation.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non compliance.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL (CONTINUED)**

Use of our report

This report is made solely to the academy's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the academy's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the academy and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

Alex M Bottom

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Alexander Bottom ACA (senior statutory auditor)

for and on behalf of

Hillier Hopkins LLP

Chartered Accountants

Statutory Auditor

Radius House

51 Clarendon Road

Watford

Herts

WD17 1HP

Date: 19-12-2024 | 11:10 GMT

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO WATFORD
ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL AND THE EDUCATION AND SKILLS FUNDING
AGENCY**

In accordance with the terms of our engagement letter dated 27 March 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2023 to 2024, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Watford St John's Church of England Primary School during the year 1 September 2023 to 31 August 2024 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Watford St John's Church of England Primary School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Watford St John's Church of England Primary School and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Watford St John's Church of England Primary School and ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Watford St John's Church of England Primary School's
accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Watford St John's Church of England Primary School's funding agreement with the Secretary of State for Education dated 29 April 2016 and the Academy Trust Handbook, extant from 1 September 2023, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2023 to 2024. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2023 to 31 August 2024 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO WATFORD
ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL AND THE EDUCATION & SKILLS FUNDING
AGENCY (CONTINUED)**

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy's income and expenditure.

An assessment of the risk of material misstatement and irregularity across the Academy Trust's activities.

The work undertaken to draw to our conclusion includes:

- An assessment of the risk of material misstatement and irregularity across the Academy Trust's activities.
- Testing and review of areas identified through risk assessment including enquiry, observation, inspection and review of supporting evidence.
- Review of system controls, policies and procedures in place to ensure compliance with the regularity regime.
- Consideration of evidence obtained through the work.

In line with the Framework and guide for external auditors and reporting accountants of academy trusts issued April 2023, we have not performed any additional procedures regarding the Trust's compliance with safeguarding, health and safety and estates management.

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2023 to 31 August 2024 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

DocuSigned by:

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Hillier Hopkins LLP
Chartered Accountants
Statutory Auditor

Radius House
51 Clarendon Road
Watford
Herts
WD17 1HP

Date: 19-12-2024 | 11:07 GMT

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2024**

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:						
Donations and capital grants	4	-	776	169,795	170,571	12,882
Other trading activities		13,053	-	-	13,053	3,954
Investments	7	58	9,000	-	9,058	2,044
Charitable activities		163,623	2,004,443	-	2,168,066	1,922,465
Total income		176,734	2,014,219	169,795	2,360,748	1,941,345
Expenditure on:						
Charitable activities		62,740	2,168,518	184,701	2,415,959	2,028,366
Total expenditure		62,740	2,168,518	184,701	2,415,959	2,028,366
Net income/(expenditure)		113,994	(154,299)	(14,906)	(55,211)	(87,021)
Transfers between funds	17	(184,792)	184,792	-	-	-
Net movement in funds before other recognised gains/(losses)		(70,798)	30,493	(14,906)	(55,211)	(87,021)
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	23	-	(36,000)	-	(36,000)	(46,000)
Net movement in funds		(70,798)	(5,507)	(14,906)	(91,211)	(133,021)
Reconciliation of funds:						
Total funds brought forward		242,156	5,507	6,995,817	7,243,480	7,376,501
Net movement in funds		(70,798)	(5,507)	(14,906)	(91,211)	(133,021)
Total funds carried forward		171,358	-	6,980,911	7,152,269	7,243,480

The Statement of financial activities includes all gains and losses recognised in the year.


The notes on pages 29 to 54 form part of these financial statements.


WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)
REGISTERED NUMBER: 09016294

BALANCE SHEET
AS AT 31 AUGUST 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	14	6,939,468	6,900,153
Current assets			
Debtors	15	113,976	134,802
Cash at bank and in hand		428,284	543,921
		542,260	678,723
Creditors: amounts falling due within one year	16	(329,459)	(335,396)
Net current assets		212,801	343,327
Total net assets		7,152,269	7,243,480
Funds of the academy			
Restricted funds:			
Fixed asset funds	17	6,980,911	6,995,817
Restricted income funds	17	-	5,507
Total restricted funds	17	6,980,911	7,001,324
Unrestricted income funds	17	171,358	242,156
Total funds		7,152,269	7,243,480

The financial statements on pages 26 to 54 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

DocuSigned by:

P18341829F99465.....
R Davis
 Chair of Trustees
 Date: 18-12-2024 | 08:41 PST

DocuSigned by:

6FD37F18CEB74D1.....
A Pyatt
 Headteacher
 18-12-2024 | 16:48 GMT

The notes on pages 29 to 54 form part of these financial statements.

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	19	(61,474)	98,248
Cash flows from investing activities	20	(54,163)	(33,171)
Change in cash and cash equivalents in the year		(115,637)	65,077
Cash and cash equivalents at the beginning of the year		543,921	478,844
Cash and cash equivalents at the end of the year	21, 22	428,284	543,921

The notes on pages 29 to 54 form part of these financial statements

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

1. General information

Watford St John's Church of England Primary School is a charitable company limited by guarantee and an exempt charity. The academy is incorporated in England and Wales. Its registered office is 32 Clarendon Road, Watford, Hertfordshire WD17 1JJ.

2. Accounting policies

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgments and key sources of estimation uncertainty, is set out below.

2.1 Basis of preparation of financial statements

The financial statements of the academy, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2023 to 2024 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

2.2 Going concern

The Trustees recognise that, to continue to support its pupils and to deliver value for money, economies of scale need to be delivered as well as maintaining excellent staff, systems and processes. To that end the Trustees have concluded that joining a Multi-Academy Trust would be in the best interests of the school. The Trust has had approval from the Secretary of State for Education to join the Poppy Academy Trust, which is effective from 1st September 2024. All assets and liabilities have been transferred to Poppy Academy Trust at 1st September 2024.

The financial statements have been prepared on a basis other than going concern. As a result, the trust's financial position at the year-end does not assume the continuation of its operations as a going concern. The financial statements have been prepared on a basis other than going concern to reflect the above.

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

2. Accounting policies (continued)

2.3 Income

All incoming resources are recognised when the academy has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

• **Grants**

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the statement of financial activities in the year for which it is receivable and any abatement in respect of the year is deducted from income and recognised as a liability.

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

• **Donations**

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

• **Other income**

Other income, including the hire of facilities, is recognised in the year it is receivable and to the extent the academy has provided the goods or services.

• **Donated fixed assets (excluding transfers on conversion or into the academy)**

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as 'Income from Donations and Capital Grants' and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy's accounting policies.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

2. Accounting policies (continued)

2.4 Expenditure (continued)

• **Charitable activities**

These are costs incurred on the academy's educational operations, including support costs and costs relating to the governance of the academy apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

2.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the statement of financial activities as the related expenditure is incurred.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the academy; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.7 Tangible fixed assets

Assets costing £100 or more are considered for capitalisation as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on the following bases:

Long-term leasehold property	- 50 years straight line
Long-term leasehold land	- 125 years straight line
Furniture and equipment	- 20% reducing balance
Computer equipment	- 50% reducing balance
Office Equipment	- 33% reducing balance

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the statement of financial activities.

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

2. Accounting policies (continued)

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.11 Financial instruments

The academy only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy and their measurement bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

2. Accounting policies (continued)

2.12 Pensions

Retirement benefits to employees of the academy are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the academy in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

2.13 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy at the discretion of the Trustees.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Department for Education Group.

Investment income, gains and losses are allocated to the appropriate fund.

2.14 Future plans

The Trustees recognise that, to continue to support its pupils and to deliver value for money, economies of scale need to be delivered as well as maintaining excellent staff, systems and processes. To that end the Trustees have concluded that joining a Multi-Academy Trust would be in the best interests of the school. The Trust has had approval from the Secretary of State for Education to join the Poppy Academy Trust, which is effective from 1st September 2024. All assets and liabilities have been transferred to Poppy Academy Trust as at 1st September 2024.

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The academy makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2024. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The asset on 31 August 2024 was £59k. Note 23 includes details of the effects of changes in the key assumptions on the liability. As the present value of the defined benefit obligation at the reporting date is less than the fair value of the fair value of the plan assets, the plan has a notional surplus. As the Trustees do not consider that the Academy Trust will be able to recover the surplus either through reduced contributions in the future or through reduced refunds from the plan, the surplus has not been recognised in these financial statements in line with paragraph 28.22 of FRS102.

4. Income from donations and capital grants

	Restricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Donations	776	161,902	162,678	2,729
Government capital grants	-	7,893	7,893	10,153
	<u>776</u>	<u>169,795</u>	<u>170,571</u>	<u>12,882</u>
<i>Total 2023</i>	<u>2,729</u>	<u>10,153</u>	<u>12,882</u>	

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FOR THE YEAR ENDED 31 AUGUST 2024

5. Funding for the academy's charitable activities

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
educational activities				
DfE/ESFA grants				
General Annual Grant (GAG)	-	1,686,860	1,686,860	1,506,214
Other DfE/ESFA grants				
Pupil Premium	-	53,688	53,688	45,892
Universal Free School Meals income	-	70,183	70,183	73,722
Rates Relief	-	3,463	3,463	5,789
PE Grant	-	18,900	18,900	19,533
Teacher Pay Grant	-	42,570	42,570	-
Start up Grant	-	18,000	18,000	15,000
Other DFE	-	60,265	60,265	79,748
	-	1,953,929	1,953,929	1,745,898
Other Government grants				
LA SEN	-	50,514	50,514	34,988
	-	50,514	50,514	34,988
Other income from the academy's educational activities				
	163,623	-	163,623	141,579
	163,623	2,004,443	2,168,066	1,922,465
	163,623	2,004,443	2,168,066	1,922,465
<i>Total 2023</i>	<i>141,579</i>	<i>1,780,886</i>	<i>1,922,465</i>	

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6. Income from other trading activities

	Unrestricted funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Other income	13,026	13,026	3,954
Income from ancillary trading activities	27	27	-
	<u>13,053</u>	<u>13,053</u>	<u>3,954</u>

7. Investment income

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Interest receivable	58	-	58	44
Pension income	-	9,000	9,000	2,000
	<u>58</u>	<u>9,000</u>	<u>9,058</u>	<u>2,044</u>
<i>Total 2023</i>	<u>44</u>	<u>2,000</u>	<u>2,044</u>	

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8. Expenditure

	Staff Costs 2024 £	Premises 2024 £	Other 2024 £	Total 2024 £	<i>Total 2023 £</i>
Expenditure on educational activities:					
Direct costs	1,513,695	-	83,531	1,597,226	1,258,519
Allocated support costs	231,076	98,582	489,075	818,733	767,847
	<u>1,744,771</u>	<u>98,582</u>	<u>572,606</u>	<u>2,415,959</u>	<u>2,026,366</u>
<i>Total 2023</i>	<u>1,408,965</u>	<u>89,848</u>	<u>527,553</u>	<u>2,026,366</u>	

9. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Educational activities	1,597,226	818,733	2,415,959	2,026,366
	<u>1,597,226</u>	<u>818,733</u>	<u>2,415,959</u>	<u>2,026,366</u>
<i>Total 2023</i>	<u>1,258,519</u>	<u>767,847</u>	<u>2,026,366</u>	

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9. Analysis of expenditure by activities (continued)

Analysis of support costs

	2024	Total funds 2024	<i>Total funds 2023</i>
	£	£	£
Net interest pension cost	-	-	(2,000)
Staff costs	231,076	231,076	222,859
Depreciation	184,701	184,701	185,226
Premises costs	98,582	98,582	89,848
Technology costs	16,474	16,474	12,678
Legal costs	7,626	7,626	5,093
Other support costs	259,742	259,742	239,603
Governance costs	20,532	20,532	14,540
	<u>818,733</u>	<u>818,733</u>	<u>767,847</u>

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2024	<i>2023</i>
	£	£
Depreciation of tangible fixed assets	184,701	185,226
Fees paid to auditor for:		
- audit	10,000	8,000
- other services	2,450	2,300
	<u>207,151</u>	<u>195,526</u>

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NOTES TO THE FINANCIAL STATEMENTS
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11. Staff

a. Staff costs and employee benefits

Staff costs during the year were as follows:

	2024	2023
	£	£
Wages and salaries	1,292,461	1,030,814
Social security costs	112,144	73,886
Pension costs	256,798	225,381
	1,661,403	1,330,081
Agency staff costs	83,368	78,884
	1,744,771	1,408,965

Staff restructuring costs included in wages and salaries comprise:

Severance payments	2,910	12,334
	2,910	12,334

b. Severance payments

The academy paid 1 severance payments in the year, disclosed in the following bands:

	2024
	No.
£0 - £25,000	1
	1

c. Special staff severance payments

Included in staff restructuring costs relate to severance payments totaling £2,910 (2023: £12,334), being £2,910 (2023: £12,334) of contractual payments and £nil (2023: £nil) non contractual.

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NOTES TO THE FINANCIAL STATEMENTS
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11. Staff (continued)

d. Staff numbers

The average number of persons employed by the academy during the year was as follows:

	2024	2023
	No.	<i>No.</i>
Management	2	1
Support and Admin	43	36
Teachers	15	15
	60	<i>52</i>
	60	<i>52</i>

e. Higher paid staff

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2024	2023
	No.	<i>No.</i>
In the band £60,001 - £70,000	-	1
In the band £70,001 - £80,000	1	-
In the band £80,001 - £90,000	-	1
	-	1
	-	1

f. Key management personnel

The key management personnel of the academy comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy was £284,621 (2023: £419,108).

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NOTES TO THE FINANCIAL STATEMENTS
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12. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2024	2023
		£	£
A Pyatt	Remuneration	70,000 - 75,000	<i>65,000 - 70,000</i>
	Pension contributions paid	15,000 - 20,000	<i>10,000 - 15,000</i>
	Other benefits	5,000 - 10,000	
T Staunton	Remuneration	20,000 - 25,000	<i>15,000 - 20,000</i>
	Pension contributions paid	0 - 5,000	<i>0 - 5,000</i>

During the year ended 31 August 2024, no Trustee expenses have been incurred (2023 - £NIL).

13. Trustees' and Officers' insurance

The academy has opted into the Department of Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme membership.

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14. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2023	7,450,284	296,446	218,986	7,965,716
Additions	161,902	4,759	57,355	224,016
At 31 August 2024	<u>7,612,186</u>	<u>301,205</u>	<u>276,341</u>	<u>8,189,732</u>
Depreciation				
At 1 September 2023	683,965	196,514	185,084	1,065,563
Charge for the year	138,228	19,185	27,288	184,701
At 31 August 2024	<u>822,193</u>	<u>215,699</u>	<u>212,372</u>	<u>1,250,264</u>
Net book value				
At 31 August 2024	<u><u>6,789,993</u></u>	<u><u>85,506</u></u>	<u><u>63,969</u></u>	<u><u>6,939,468</u></u>

15. Debtors

	2024 £	2023 £
Due within one year		
Trade debtors	11,655	22,681
Prepayments and accrued income	81,201	96,581
Tax recoverable	21,120	15,540
	<u>113,976</u>	<u>134,802</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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16. Creditors: Amounts falling due within one year

	2024	2023
	£	£
Trade creditors	76,671	96,080
Other creditors	147,994	111,608
Accruals and deferred income	104,794	127,708
	329,459	335,396
	2024	2023
	£	£
Deferred income at 1 September 2023	61,539	86,839
Resources deferred during the year	53,443	61,539
Amounts released from previous periods	(61,539)	(86,839)
	53,443	61,539

At the balance sheet date, the academy trust was holding funds received in advance for ESFA funding and breakfast and after school club relating to the 2024/25 financial period.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

17. Statement of funds

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2024 £
Unrestricted funds						
Unrestricted reserves	242,156	176,734	(62,740)	(184,792)	-	171,358
Restricted general funds						
General Annual Grant (GAG)	5,507	1,695,860	(1,886,159)	184,792	-	-
Pupil Premium	-	53,688	(53,688)	-	-	-
UIFSM	-	70,183	(70,183)	-	-	-
Start up grants	-	18,000	(18,000)	-	-	-
Teacher Pay Grant	-	42,570	(42,570)	-	-	-
Rates Reclaim	-	3,463	(3,463)	-	-	-
PE & Sports Grant	-	18,900	(18,900)	-	-	-
Other DFE grants	-	60,265	(60,265)	-	-	-
Other government grants	-	50,514	(50,514)	-	-	-
Donations	-	776	(776)	-	-	-
Pension reserve	-	-	36,000	-	(36,000)	-
	5,507	2,014,219	(2,168,518)	184,792	(36,000)	-
Restricted fixed asset funds						
Restricted fixed assets	6,900,153	-	(184,701)	224,016	-	6,939,468
Devolved Formula Capital grant	-	7,893	-	(3,160)	-	4,733
ESFA capital grant	37,667	-	-	(957)	-	36,710
ICT Grant	57,166	-	-	(57,166)	-	-

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**NOTES TO THE FINANCIAL STATEMENTS
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17. Statement of funds (continued)

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2024 £
Furniture and fittings	831	-	-	(831)	-	-
Donation	-	161,902	-	(161,902)	-	-
	<u>6,995,817</u>	<u>169,795</u>	<u>(184,701)</u>	<u>-</u>	<u>-</u>	<u>6,980,911</u>
Total Restricted funds	<u>7,001,324</u>	<u>2,184,014</u>	<u>(2,353,219)</u>	<u>184,792</u>	<u>(36,000)</u>	<u>6,980,911</u>
Total funds	<u><u>7,243,480</u></u>	<u><u>2,360,748</u></u>	<u><u>(2,415,959)</u></u>	<u><u>-</u></u>	<u><u>(36,000)</u></u>	<u><u>7,152,269</u></u>

The specific purposes for which the funds are to be applied are as follows:

The General Annual Grant (GAG) represents the core funding for the educational activities of the academy that has been provided via the Education & Skills Funding Agency (ESFA) by the Department of Education. The GAG fund is used for the normal running costs of the academy.

Universal Infant Free School Meal (UFSM) income represents funding for the schools to offer free school meals to all pupils in reception, year 1 and year 2.

Pupil Premium is a grant allocated to academies with pupils that are known to be eligible for free school meals. The purpose is to raise attainment of disadvantages pupils and to close the gap between them and their peers.

Included in restricted fixed asset funds carried forward is an ESFA grant for capital expenditure of £41,443 (2023: £95,664) carried forward from the prior year but unspent by 31 August 2024.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2024.

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17. Statement of funds (continued)

Comparative information in respect of the preceding year is as follows:

	<i>Balance at 1 September 2022 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2023 £</i>
Unrestricted funds						
Unrestricted reserves	150,611	145,577	(54,032)	-	-	242,156
Restricted general funds						
General Annual Grant (GAG)	-	1,508,214	(1,502,707)	-	-	5,507
Pupil Premium	-	45,892	(45,892)	-	-	-
UIFSM	-	73,722	(73,722)	-	-	-
Start up grants	-	15,000	(15,000)	-	-	-
Rates Reclaim	-	5,789	(5,789)	-	-	-
PE & Sports Grant	-	19,533	(19,533)	-	-	-
Other DFE grants	-	79,748	(79,748)	-	-	-
Other government grants	-	34,988	(34,988)	-	-	-
Donations	-	2,729	(2,729)	-	-	-
Pension reserve	55,000	-	(9,000)	-	(46,000)	-
	<u>55,000</u>	<u>1,785,615</u>	<u>(1,789,108)</u>	<u>-</u>	<u>(46,000)</u>	<u>5,507</u>
Restricted fixed asset funds						
Restricted fixed assets	7,030,224	-	(185,226)	55,155	-	6,900,153
ESFA capital grant	64,609	7,296	-	(34,238)	-	37,667
Devolved Formula Capital grant	18,060	2,857	-	(20,917)	-	-
ICT Grant	57,166	-	-	-	-	57,166

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17. Statement of funds (continued)

	<i>Balance at 1 September 2022</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 August 2023</i>
	£	£	£	£	£	£
Furniture and fittings	831	-	-	-	-	831
	<u>7,170,890</u>	<u>10,153</u>	<u>(185,226)</u>	<u>-</u>	<u>-</u>	<u>6,995,817</u>
Total Restricted funds	<u>7,225,890</u>	<u>1,795,768</u>	<u>(1,974,334)</u>	<u>-</u>	<u>(46,000)</u>	<u>7,001,324</u>
Total funds	<u><u>7,376,501</u></u>	<u><u>1,941,345</u></u>	<u><u>(2,028,366)</u></u>	<u><u>-</u></u>	<u><u>(46,000)</u></u>	<u><u>7,243,480</u></u>

18. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024	Restricted funds 2024	Restricted fixed asset funds 2024	Total funds 2024
	£	£	£	£
Tangible fixed assets	-	-	6,939,468	6,939,468
Current assets	171,358	329,459	41,443	542,260
Creditors due within one year	-	(329,459)	-	(329,459)
Total	<u><u>171,358</u></u>	<u><u>-</u></u>	<u><u>6,980,911</u></u>	<u><u>7,152,269</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2023 £</i>	<i>Restricted funds 2023 £</i>	<i>Restricted fixed asset funds 2023 £</i>	<i>Total funds 2023 £</i>
Tangible fixed assets	-	-	6,900,153	6,900,153
Current assets	577,552	5,507	95,664	678,723
Creditors due within one year	(335,396)	-	-	(335,396)
Total	<u>242,156</u>	<u>5,507</u>	<u>6,995,817</u>	<u>7,243,480</u>

19. Reconciliation of net expenditure to net cash flow from operating activities

	2024 £	2023 £
Net expenditure for the period (as per statement of financial activities)	<u>(55,211)</u>	<u>(87,021)</u>
Adjustments for:		
Depreciation	184,701	185,226
Capital grants from DfE and other capital income	(169,795)	(21,940)
Interest receivable	(58)	(44)
Defined benefit pension scheme cost less contributions payable	(36,000)	9,000
Decrease in debtors	20,826	5,050
(Decrease)/increase in creditors	(5,937)	7,977
Net cash (used in)/provided by operating activities	<u>(61,474)</u>	<u>98,248</u>

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20. Cash flows from investing activities

	2024	2023
	£	£
Interest receivable	58	44
Purchase of tangible fixed assets	(224,016)	(55,155)
Capital grants from DfE Group	7,893	21,940
Capital donations	161,902	-
Net cash used in investing activities	(54,163)	(33,171)

21. Analysis of cash and cash equivalents

	2024	2023
	£	£
Cash in hand and at bank	428,284	543,921

22. Analysis of changes in net debt

	At 1 September 2023 £	Cash flows £	At 31 August 2024 £
Cash at bank and in hand	543,921	(115,637)	428,284

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23. Pension commitments

The academy's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Hertfordshire County Council. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2020 and of the LGPS 31 March 2022.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to ensure scheme costs are recognised and managed appropriately and the review specifies the level of future contributions.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 27 October 2023, with the SCAPE rate, set by HMT, applying a notional investment return based on 1.7% above the rate of CPI. The key elements of the valuation outcome are:

- employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million

The next valuation result is due to be implemented from 1 April 2024.

The employer's pension costs paid to TPS in the year amounted to £158,066 (2023 - £114,362).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2023/10/valuation-result.aspx>).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The academy has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy has set out above the information available on the scheme.

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23. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2024 was £159,000 (2023 - £125,000), of which employer's contributions totalled £126,000 (2023 - £100,000) and employees' contributions totalled £33,000 (2023 - £25,000). The agreed contribution rates for future years are 25.3 per cent for employers and 5.5 - 12.5 per cent for employees.

As described in Note 2.12 the LGPS obligation relates to the employees of the academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy at the balance sheet date.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Disclosed in this note are the values of the pension scheme as detailed in the Academy's independent actuarial report which stated that the Academy's pension fund was in a net asset position at the year end. Despite this, no surplus has been recognised on the basis that the asset has not led to a reduction in future contributions or a refund. As such, the carrying value in respect of the pension scheme in the balance sheet is £nil (2023: £nil).

Principal actuarial assumptions

	2024	2023
	%	%
Rate of increase in salaries	3.15	3.45
Rate of increase for pensions in payment/inflation	2.65	2.95
Discount rate for scheme liabilities	5.00	5.20

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	2024	2023
	Years	Years
<i>Retiring today</i>		
Males	21.5	21.6
Females	24.3	24.3
<i>Retiring in 20 years</i>		
Males	21.4	21.5
Females	25	25.1

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

23. Pension commitments (continued)

Sensitivity analysis

	2024	<i>2023</i>
	£000	<i>£000</i>
Discount rate -0.1%	16	<i>12</i>
Mortality assumption - 1 year increase	21	<i>15</i>
CPI rate +0.1%	17	<i>12</i>
	=====	<i>=====</i>

Share of scheme assets

The academy's share of the assets in the scheme was:

	At 31 August 2024	<i>At 31 August 2023</i>
	£	<i>£</i>
Equities	428,000	<i>263,000</i>
Bonds	199,000	<i>121,000</i>
Property	89,000	<i>79,000</i>
Cash	22,000	<i>63,000</i>
Asset ceiling cap	(221,000)	<i>(163,000)</i>
	=====	<i>=====</i>
Total market value of assets	517,000	<i>363,000</i>
	=====	<i>=====</i>

The actual return on scheme assets was £36,000 (2023 - £-16,000).

The amounts recognised in the Statement of financial activities are as follows:

	2024	<i>2023</i>
	£	<i>£</i>
Current service cost	(99,000)	<i>(111,000)</i>
Interest income	31,000	<i>20,000</i>
Interest cost	(22,000)	<i>(18,000)</i>
	=====	<i>=====</i>
Total amount recognised in the Statement of financial activities	(90,000)	<i>(109,000)</i>
	=====	<i>=====</i>

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

23. Pension commitments (continued)

Changes in the present value of the defined benefit obligations were as follows:

	2024 £	2023 £
At 1 September	363,000	348,000
Current service cost	99,000	111,000
Interest cost	22,000	18,000
Employee contributions	33,000	25,000
Actuarial losses	41,000	10,000
Change in financial assumptions	(41,000)	(149,000)
At 31 August	517,000	363,000

Changes in the fair value of the academy's share of scheme assets were as follows:

	2024 £	2023 £
At 1 September	363,000	403,000
Expected return on assets	18,000	13,000
Interest income	31,000	20,000
Actuarial gains/(losses)	5,000	(36,000)
Employer contributions	126,000	100,000
Employee contributions	33,000	25,000
Asset ceiling cap	(59,000)	(162,000)
At 31 August	517,000	363,000

24. Operating lease commitments

At 31 August 2024 the academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2024 £	2023 £
Not later than 1 year	3,076	3,076
Later than 1 year and not later than 5 years	3,332	6,408
	6,408	9,484

WATFORD ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

25. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

26. Related party transactions

Owing to the nature of the academy and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy's financial regulations and normal procurement procedures relating to connected and related party transactions.

Trustees' and close relatives' remuneration and expenses are disclosed in note 12.

During the accounting period, the academy made purchases of £205 (2023: £1,648) and sales of £470 (2023: £nil) to St Albans Diocesan Synod of which R Davis and D Stevenson are members.

27. Post balance sheet events

The Trustees have concluded that joining a Multi-Academy Trust would be in the best interests of the school. Following approval from the Secretary of State for Education, the Trust joined the Poppy Academy Trust as of 1st September 2024. All assets and liabilities have been transferred to Poppy Academy Trust at 1st September 2024.

MANAGEMENT REPRESENTATION LETTER

To: Hillier Hopkins LLP
Radius House
51 Clarendon Road
Watford
Hertfordshire
WD17 1HP

Dear Sirs

The following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience such as we consider necessary in connection with your audit of the academy trust's financial statements and, as relevant, your assurance engagement on regularity for the year ended 31 August 2024. These enquiries have included inspection of supporting documentation where appropriate and are sufficient to satisfy ourselves that we can make each of the following representations. All representations are made to the best of our knowledge and belief.

General

- 1 We have fulfilled our responsibilities as trustees as set out in the terms of your engagement letter, under the Companies Act 2006 for preparing financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), for being satisfied that they give a true and fair view and for making accurate representations to you.
- 2 All the transactions undertaken by the academy trust have been properly reflected and recorded in the accounting records.
- 3 All the accounting records have been made available to you for the purpose of your audit and regularity assurance engagement. We have provided you with unrestricted access to all appropriate persons within the academy trust, and with all other records and related information requested, including minutes of all management and trustee meetings and correspondence with the Education and Skills Funding Agency, Department for Education and the Charity Commission.
- 4 The financial statements are free of material misstatements, including omissions.
- 5 The effects of uncorrected misstatements (as set out in the appendix to this letter) are immaterial both individually and in total.

Internal control and fraud

- 6 We acknowledge our responsibility for the design, implementation and maintenance of internal control systems to prevent and detect fraud and error and which conform to the requirements both of propriety and good financial management. We have disclosed to you the results of our risk assessment that the financial statements may be misstated as a result of fraud.
- 7 We have disclosed to you all instances of known or suspected fraud affecting the entity involving management, employees who have a significant role in internal control or others that could have a material effect on the financial statements.
- 8 We have also disclosed to you all information in relation to allegations of fraud or suspected fraud affecting the entity's financial statements communicated by current or former employees, analysts, regulators or others.

Assets and liabilities

- 9 The academy trust has satisfactory title to all assets and there are no liens or encumbrances on the academy trust's assets, except for those that are disclosed in the notes to the financial statements.
- 10 All actual liabilities, contingent liabilities and guarantees given to third parties have been recorded or disclosed as appropriate.
- 11 We have no plans or intentions that may materially alter the carrying value and where relevant the fair value measurements or classification of assets and liabilities reflected in the financial statements.

Accounting estimates

- 12 Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.

Loans and arrangements

- 13 The academy trust has not granted any advances or credits to, or made guarantees on behalf of directors other than those disclosed in the financial statements.

Legal claims

14 We have disclosed to you all claims in connection with litigation that have been, or are expected to be, received and such matters, as appropriate, have been properly accounted for, and disclosed in, the financial statements.

Law and regulations

15 We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.

Related parties

16 Related party relationships and transactions, comply with the academy trust's financial regulations, relevant requirements of the Academies Financial Handbook and have been appropriately accounted for and disclosed in the financial statements. We have disclosed to you all relevant information concerning such relationships and transactions and are not aware of any other matters which require disclosure in order to comply with the requirements and guidance set out in the Companies Act 2006, the Charities SORP and the Academies Accounts Direction issued by the Education and Skills Funding Agency.

Subsequent events

17 All events subsequent to the date of the financial statements which require adjustment or disclosure have been properly accounted for and disclosed.

Going concern

18 We believe that the academy trust's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the academy trust's needs. We have considered a period of twelve months from the date of approval of the financial statements. We believe that no further disclosures relating to the academy trust's ability to continue as a going concern need to be made in the financial statements.

Grants and donations

19 Grants made by the Department of Education and Education and Skills Funding Agency have been applied for the purposes intended and the Accounting Officer has ensured regular and proper use and value for money of monies received from government.


20 All other grants, donations and other income, the receipt of which is subject to specific terms or conditions, have been notified to you. There have been no breaches of terms or conditions in the application of such income.

We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that so far as we are aware, there is no relevant audit information needed by you in connection with preparing your audit report of which you are unaware.

We confirm that so far as we are aware, there is no relevant other information needed by you in connection with preparing your reporting accountant's assurance report on regularity of which you are unaware.

Each trustee has taken all the steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit/other information and to establish that you are aware of that information.

Yours faithfully

DocuSigned by:

D18341829E99465.....

Signed on behalf of the board of trustees

18-12-2024 | 08:41 PST
Date.....

Company number: 09016294

Trustees: Joanna Conn
Robin Davis
Mark Jenkins
Anna Pyatt

ACCOUNTING OFFICER REPRESENTATION LETTER ON REGULARITY

To: Hillier Hopkins LLP
Radius House
51 Clarendon Road
Watford
Hertfordshire
WD17 1HP

Dear Sirs

The following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience such as I consider necessary in connection with your assurance report on regularity to Watford St John's Church of England Primary School and the Education and Skills Funding Agency (ESFA) for the year ended 31 August 2024. These enquiries have included inspection of supporting documentation where appropriate. All representations are made to the best of my knowledge and belief.

General

- 1 I have fulfilled my responsibilities as accounting officer under the requirements of the funding agreement between Watford St John's Church of England Primary School and the Secretary of State for Education and the Academies Financial Handbook 2023.
- 2 I acknowledge my personal responsibility to Parliament for the regularity and propriety of the public finances for which I am answerable; for the keeping of proper accounts; for effective internal controls; for prudent and economical administration; for the avoidance of waste and extravagance; for achieving value for money; and for the efficient and effective use of all the resources in my charge.
- 3 I acknowledge my responsibility to notify the governing body and the ESFA of any instances of material irregularity or impropriety, or non-compliance with the terms of the academy trust's funding agreement and have had due regard to the requirements of the Academies Financial Handbook 2023 in performing this duty.
- 4 Any instances of material irregularity, impropriety, or non-compliance discovered to date have been notified to the governing body and the ESFA.
- 5 Significant matters of which you should be aware have been brought to your attention including any instances of irregularity, impropriety or non-compliance with laws and regulations specific to the academy trust's authorising framework.
- 6 Full and free access has been granted to all records, correspondence, information and explanations that you have considered necessary to enable you to perform your work.

Yours faithfully

DocuSigned by:



.....6FD3ZF18CEB74D1.....

Accounting Officer

18-12-2024 | 16:48 GMT

Date.....



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Hillier Hopkins LLP
Chartered Accountants
And Tax Advisers

Audit Findings Document

For Watford St John's Church of
England Primary School

31 August 2024

“friendly expertise”





HillierHopkins

Hillier Hopkins LLP
Radius House
51 Clarendon Road
Watford
Hertfordshire
WD17 1HP

Dear Trustees/Governors

Audit Findings Document for Watford St John's Church of England Primary School for the year ended 31 August 2024

www.hillierhopkins.co.uk

This Audit Findings Document presents the observations and matters which came to our attention during the conduct of our normal audit procedures which are considered to be significant, as required by International Standard on Auditing (UK) 260.

The audit of the financial statements does not relieve management or those charged with governance of their responsibilities for the preparation of the financial statements. We would be grateful if you could provide comments against each point where appropriate within the report and return it to us in due course.

In addition to the audit, we present our 'Limited Assurance' Regularity Conclusion as required by the ESFA.

We would like to take this opportunity to thank the finance team and other staff for their assistance provided during the course of our work.

Yours faithfully

Alex Bottom

Responsible Individual
For and on behalf of
Hillier Hopkins LLP

This report has been prepared solely for your benefit and should not be quoted or copied in whole or in part without our prior written consent. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting, on the basis of the content of this report. The content of this report is not a comprehensive record of all the relevant matters, and may be subject to change.



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Audit of the accounts - approach and status

The audit approach, as detailed in our Audit Planning Document, was determined by our assessment of the audit risk, both in terms of the potential misstatement in the financial statements and of the control environment in which the academy operates.

In summary, our approach has been to:

- update our understanding of the organisation and its environment;
- review the design and implementation of key internal financial control systems; and
- plan and perform an audit with professional scepticism recognising that circumstances may exist that cause the financial statements to be materially misstated. This includes the risk of material misstatements due to non-compliance with laws and regulations and fraud.

Opinion

Our work is complete (subject to the items listed below) and our audit report opinion (in accordance with ISAs (UK) 700/705/706) will be:

Unmodified



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Regularity Assurance - approach and status

We conducted our engagement in accordance with the 'Academies Accounts Direction' and the 'Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts' issued by the Education & Skills Funding Agency. We performed a limited assurance engagement as defined in our engagement letter.

Much of the work relating to regularity is undertaken as part of the statutory audit of the accounts, though regularity requires further consideration. In summary, our approach has been to;

- review of the Academies Financial Handbook and extent of systems/controls to promote regularity;
- sampling of income and expenditure (procurement controls are effective and spend is appropriate);
- review for specific Academy Financial Handbook matters requiring approval/notification; for example write offs of debtors, acquisitions or disposals of freehold land and buildings, taking up a finance lease, novel and contentious payments; and
- review of transactions with related parties and the general governance of the academy.

Conclusion

Our work is complete and our regularity assurance report conclusion will be: **Unmodified**



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Key matters – Audit

This section provides commentary on the risks identified in our Audit Planning Document along with a summary of the testing performed and any key issues identified:

	Risks identified at planning	Commentary
1	<p>Revenue recognition (grant income) Under ISA (UK) 240 there is a rebuttable presumed risk that revenue recognition may be materially misstated due to fraud.</p>	<p>To address this risk, we have performed the following key audit procedures:</p> <ul style="list-style-type: none"> • Review and testing of revenue recognition policies • Review all significant grant income to funding documentation • Review cut-off • Analytical review <p>We have not identified any material audit issues in relation to our audit work.</p>
2	<p>Management override and bias Under ISA (UK) 240 there is a non-rebuttable presumed risk that the risk of management -override of controls is present in all entities.</p>	<p>To address this risk, we have performed the following key audit procedures:</p> <ul style="list-style-type: none"> • Review of accounting estimate, judgments and decisions including those noted in the critical accounting estimates and areas of judgement section of the financial statements • Testing of journal entries • Review of unusual significant transactions <p>We have not identified any material audit issues in relation to our audit work.</p>

(ISA (UK) 315) "Significant risks often relate to significant non-routine transactions and judgmental matters. Non-routine transactions are transactions that are unusual, due to either size or nature, and that therefore occur infrequently. Judgmental matters may include the development of accounting estimates for which there is significant measurement uncertainty."



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Key matters – Audit (continued)

	Risks identified at planning	Commentary
3	<p>Local Government Pension Scheme (LGPS) The actuaries have completed the updated valuation of the academy’s share of the LGPS obligation. The actuary’s report shows a defined benefit pension scheme asset of £221,000 at 31 August 2024.</p>	<p>The actuary has computed a funding surplus in the LGPS scheme following a number of actuarial improvements, including a more favorable discount rate of the scheme’s obligations to pay pensions which is derived from corporate bond yields and a reduction in mortality rates.</p> <p>Our audit work on the actuarial report and accounting estimate included:</p> <ul style="list-style-type: none"> • A review of the data sets, calculations and assumptions used against 3rdpart information and challenged where appropriate. • We have also reviewed the credentials of the actuary who has signed the report to ensure they are independent and have the appropriate expertise. <p>In respect to the whether the academy should recognize the funding surplus (asset):</p> <ul style="list-style-type: none"> • FRS 102 states that a defined benefit pension scheme asset can be recognized to the extent that the academy can recover that surplus through an unconditional right to either: <ul style="list-style-type: none"> • a reduction in its contributions in the future or; • being able to obtain refunds from the plan. • We have not obtained any evidence from the actuary, or publicly available records of the scheme’s trust rules as to whether the academy is unconditionally entitled to the surplus, either through a reduction in the contributions in the future or if it were to leave, a repayment. • The ESFA is yet to provide guidance on this specific issue. <p>In conclusion, our view is the absence of such evidence of unconditional entitlement requires the academy to recognize an ‘Asset Ceiling’ of £nil, and as such, not to account for the asset.</p> <p>As the defined pension scheme asset is material to the financial statements, the asset has been capped at £nil on the balance sheet and appropriate disclosure has been made in the financial statements to explain the accounting the academy has taken.</p>



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Key matters - Regularity

This section provides commentary on any key regularity matters identified during our review. Our work was performed in accordance with the Academies Accounts Direction issued by the ESFA.

There were no matters in regards to regularity this year

Regularity and Propriety

“Parliament is concerned that any public money raised and subsequently distributed is used only for approved purposes. This is termed as regularity. ‘Managing Public Money’ defines regularity as the requirement that ‘resource consumption should accord with the relevant legislation, the relevant delegated authority and this document’.

- *Regularity, therefore, requires that a financial transaction is in accordance with the relevant framework of authorities, and should be woven into the academy trust’s internal control procedures.*
- *Propriety is a related concept and concerned more with standards of conduct, behaviour and corporate governance.”*

Assessment

- Significant – risk of major non-compliance
- Deficiency – risk of minor non-compliance



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Internal control deficiencies

This section provides commentary on any weaknesses identified during our testing of the design and implementation of the internal control environment appropriate in accordance with ISA 265. An audit is not designed to test all internal controls or identify all areas of control weakness, it is directed towards forming and expressing an opinion on the financial statements. In consequence, our work cannot be relied upon to disclose any or all issues, or to include all possible improvements in internal control that may exist.

	Significance	Weakness and potential consequences	Recommendation	Management's response / timescale for implementation
1	●	<p>Accrued Income</p> <p>It was noted when testing accrued income that the schedule provided did not agree to the TB.</p> <p>The lack of process can result in the school not knowing their accrued income position and this can lead to mistakes in recording income.</p>	<p>We recommend that care is taken to ensure a schedule is produced accurately to track accrued income that can agree to the TB and that it is checked so that it can aid the academy accounts and audit.</p>	<p>This will be communicated to the Poppy Trust Finance Committee to ensure that this is addressed at the MAT level in the preparation of the financial statements for 2024-25.</p>
2	●	<p>Accruals</p> <p>During our testing of accruals, we found that there was an accrual in the accounts despite work not being completed.</p> <p>This can lead to an overstatement of accruals and expenses.</p>	<p>We recommend controls when posting accruals so that they can be checked that the amount relates to the correct period.</p>	<p>This will be communicated to the Poppy Trust Finance Committee to ensure that this is addressed at the MAT level in the preparation of the financial statements for 2024-25.</p>

Assessment

- Significant – risk of significant misstatement
- Deficiency – risk of minor misstatement



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Internal control deficiencies

	Significance	Weakness and potential consequences	Recommendation	Management's response / timescale for implementation
3	●	<p>Items to be capitalised</p> <p>During our testing of Repairs and Maintenance, we found that there were three items that appear to relate to capital items but included as expenses. This can show that the financial policies are not being followed and expenses are overstated</p>	<p>We recommend that care is taken to ensure that expenses are considered for capitalisation.</p>	<p>This will be communicated to the Poppy Trust Finance Committee to ensure that this is addressed at the MAT level in the preparation of the financial statements for 2024-25.</p>
4	●	<p>Accrued income</p> <p>It was noted that there were items in the accounts omitted when they should have been included and items included when they did not relate to the period. This can lead to the income and debtors being misstated</p>	<p>We recommend that care is taken when analysing items that relate to the year.</p>	<p>This will be communicated to the Poppy Trust Finance Committee to ensure that this is addressed at the MAT level in the preparation of the financial statements for 2024-25.</p>



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Update on audit findings of prior years

This section provides an update on the audit findings raised in prior years, and the progress made by Management in remediating the issues identified:

	Significance	Issue previously reported	Current status	Management's response / timescale for implementation
1	●	<p>Posting of expenditure During testing in prior year the devolved formula capital, we found that some expenses had been posted to Income codes. By netting off expenses in income, income appears lower than actual levels. This can lead to an misstated income and expenses figure and not give a true and fair view of the financial information.</p>	<p>We recommended that controls when posting expenses and income so that they can be checked to ensure they have been posted to correct account.</p> <p>This issue was not noted in the current year.</p>	<p>Noted and management would like to thank the finance team for their work to ensure the actions from last year have been addressed</p>
2	●	<p>Capital income from PY recognised as current year income As per our inspection of DFE income, Capital income associated with the prior years CIF funding was recognised as income in the year. This should have been offset against the accrued income brought forward debtor. This can lead to the overstatement of income and debtors.</p>	<p>We recommend that the school ensures that any accrued income is checked and that any remittance advice coming in from DFE relates to funding for the year.</p> <p>This issue was not noted in the current year.</p>	<p>Noted and management would like to thank the finance team for their work to ensure the actions from last year have been addressed</p>

Assessment

- Significant – risk of significant misstatement
- Deficiency – risk of minor misstatement



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Update on audit findings of prior years (continued)

	Significance	Issue previously reported	Current status	Management's response / timescale for implementation
3	●	<p>Accrued income Schedule</p> <p>It was noted in the prior year when testing accrued income that no schedule was provided that agreed to TB. The lack of process can result in the school not knowing their accrued income position and this can lead to mistakes in recording income.</p>	<p>We recommended that care is taken to ensure a schedule is produced to track accrued income that can agree to the TB and that it is checked so that it can aid the academy accounts and audit.</p> <p>This issue was not noted in the current year.</p>	<p>Noted and management would like to thank the finance team for their work to ensure the actions from last year have been addressed</p>
4	●	<p>Suspense account</p> <p>It was noted in the prior year that a suspense account at year end was not cleared and had a running balance. This can lead to the trial balance having missing items and the misstatement of the accounts.</p>	<p>We recommended that a reconciliation is done at year end and that staff check the balance of the suspense account and where journals of any running balance can be posted.</p> <p>This issue was not noted in the current year.</p>	<p>Noted and management would like to thank the finance team for their work to ensure the actions from last year have been addressed</p>
5	●	<p>Purchase testing</p> <p>It was noted that an expense claim made by the school had no receipt that could be matched as it was missing. Additionally it was also noted that the detail included in the Nominal ledger statement for staff expenses lacked narrative. This can lead to misappropriation of expenses</p>	<p>We recommended that evidence of receipts are kept in line with regulation and legitimacy requirements. We recommend that the adequate descriptions are kept for expenses to ensure payments are in line with the guidance.</p> <p>This issue was not noted in the current year.</p>	<p>Noted and management would like to thank the finance team for their work to ensure the actions from last year have been addressed</p>

Assessment

- Significant – risk of significant misstatement
- Deficiency – risk of minor misstatement



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Update on audit findings of prior years (Continued)

	Significance	Issue previously reported	Current status	Management's response / timescale for implementation
6	●	<p>Procurement</p> <p>It was noted that of one £11k purchase for insurance, the school did not obtain the correct amount of written quotations from separate suppliers. This was due to time constraints and external factors. This could be a failing of the procurement policies and misuse of academy funds.</p>	<p>We recommend that the procurement procedures are followed. Where there are exceptional circumstances the handbook should have procedures to follow.</p> <p>One issue relating to procurement included above</p>	<p>Noted and management would like to thank the finance team for their work to ensure the actions from last year have been addressed</p>
7	●	<p>Credit Card</p> <p>It was noted that an credit card expense was created and approved by the same individual. This could lead to non bon-fide expenses being paid by the academic funds.</p>	<p>We recommended that individual whom have access to approve expenses, get their expenses approved by the next person up in the chain or the board.</p> <p>No such issues noted this year</p>	<p>Noted and management would like to thank the finance team for their work to ensure the actions from last year have been addressed</p>
8	●	<p>Recognition of income</p> <p>It was noted that land was rented in the school in exchange for fixed asset additions. A value was not able to be obtained to include rent and fixed asset additions under the accruals basis. This could lead to the accounts not giving a true and fair view.</p>	<p>We recommend that where non cash transactions are undertaken, care is taken to quantify the numerical impact of these for the accounts.</p> <p>No such issue noted this year</p>	<p>Noted and management would like to thank the finance team for their work to ensure the actions from last year have been addressed</p>

Assessment

- Significant – risk of significant misstatement
- Deficiency – risk of minor misstatement



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Other communication requirements:

This section documents a number of other communication requirements, prescribed by the ISAs which are summarised below:

ISA	Matter	Auditor findings
240	Fraud	We have not been made aware of any incidents by yourselves or identified during the course of our audit any instances of fraud.
250	Laws and regulations	We are not aware of any significant incidences of non-compliance.
260	Significant qualitative matters: <ul style="list-style-type: none"> Accounting policies Estimates Judgements 	We have reviewed the presentation and accounting of all material qualitative matters in the financial statements and have nothing to report beyond any other matter detailed in this report.
260	Significant difficulties encountered during the audit	We are pleased to report that we did not encounter any significant difficulties during the course of our audit.
260	Written representations	Representations will be requested from management with regard to specific matters concerning judgement, estimation and other matters.
550	Related parties	We are not aware of any related party transactions which have not been disclosed in the financial statements.



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Independence and non-audit services

The primary objective of an audit is for us to provide independent assurance to members that the trustees have prepared the financial statements properly. The credibility of this depends on beliefs concerning the integrity, objectivity and independence of the firm or covered persons and the work that they perform. Therefore all our audits are conducted with integrity, objectivity and independence, as these are the overarching ethical principles. The Financial Reporting Council’s (FRC) Ethical Standard and ISA (UK) 260 require us to give you timely disclosure of matters relating to our independence. We disclose the following to you:

- We confirm that there are no significant facts or matters that impact on our independence as auditors that we are required or wish to draw to your attention.
- **[Detail other threat arising other than non-audit services and safeguard applied (i.e. long association)]**

Non-audit service	Fees	Threat?	Safeguard(s) in place
Accounts preparation	n/a*	Self-review / management	Informed management – Board of Trustees & accounts peer reviewed by 2nd manager Audit related services (Regularity, AAR, EOYC) Other non-audit services performed by non-audit staff * No separate fee for accounts preparation and Regularity Assurance
Regularity Assurance	n/a*	Self-review / management	
EOYC	£1,875	Self-review / management	
AAR	£2,450	Self-review / management	
Total non-audit services	£4,325		

FRC Ethical Standard: Threats to integrity, objectivity and independence

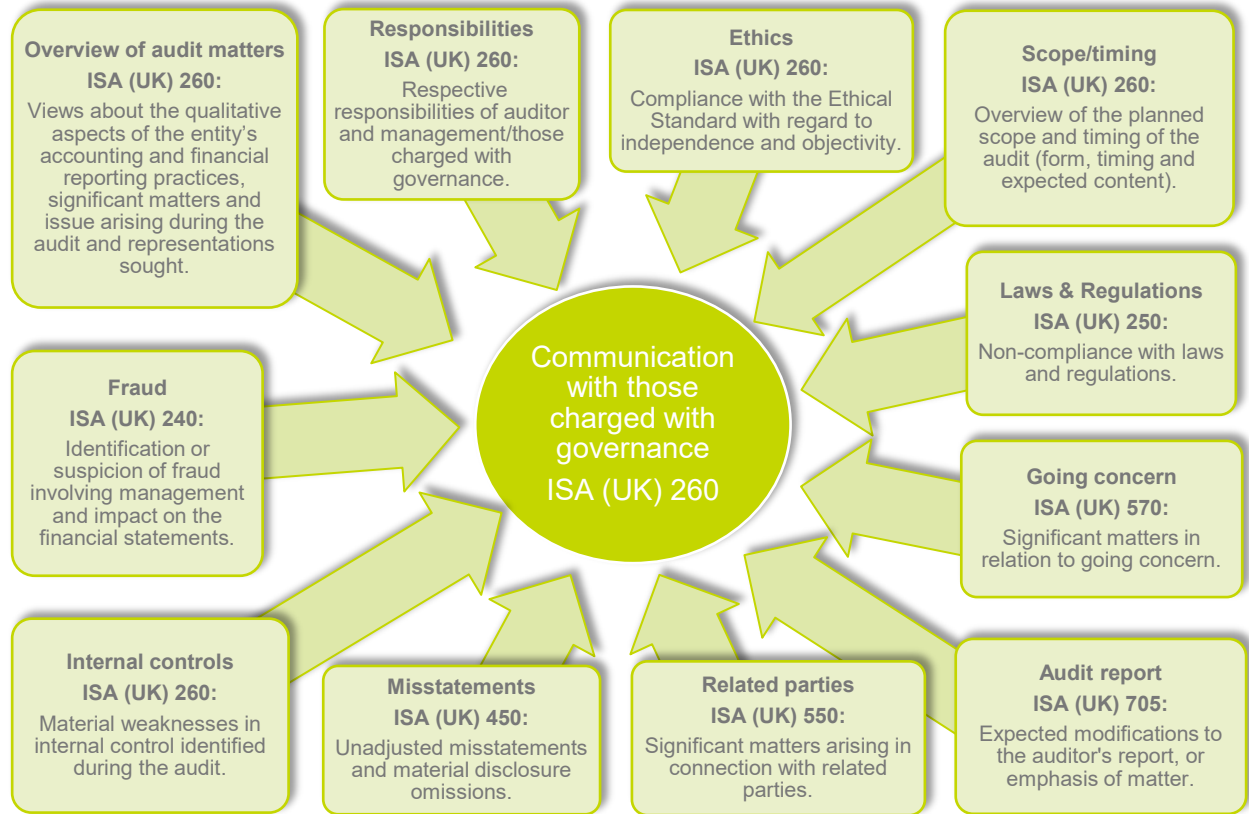
- Self-interest threat • Self-review threat • Management threat • Advocacy threat • Familiarity (or trust) threat • Intimidation threat



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Communication with those charged with governance

International Standard on Auditing (UK) 260 establishes specific reporting obligations on us, as your auditor, to communicate certain matters along with other ISA(UK's) to those charged with governance. Our Audit Planning and Findings Report form part of this communication.





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Hillier Hopkins LLP
Chartered Accountants
And Tax Advisers

Appendices



“friendly expertise”



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Adjusted audit differences

In forming our opinion, we note the following adjusted misstatements identified during the course of our audit:

Number	Date	Name	Account No	Reference	Debit	Credit	Net Income (Loss)	Amount Chg
Net Income (Loss) Before Adjustments							-260,863	
7	31/08/2024	Furniture & Fittings additions	HH3	E1. 4	2,460			
7	31/08/2024	710200 Premises: Building Improvemer	710200	E1. 4		2,460		
Being Client proposed additions					2,460	2,460	-258,403	2,460
8	31/08/2024	current service cost	FRS102.1	M2. 1		99,000		
8	31/08/2024	current service cost SOFA	FRS102.2	M2. 1	99,000			
8	31/08/2024	actuarial losses	FRS102.4	M2. 1	18,000			
8	31/08/2024	actuarial (losses)/gains	FRS102.5	M2. 1	5,000			
8	31/08/2024	difference expected/actuarial return	FRS102.6	M2. 1		18,000		
8	31/08/2024	actuarial (losses)/gains	FRS102.8	M2. 1		5,000		
8	31/08/2024	pensions - employer contributions	FRS102.9	M2. 1	126,000			
8	31/08/2024	expected return on scheme assets	FRS102.10	M2. 1		31,000		
8	31/08/2024	interest cost - SOFA	FRS102.11	M2. 1	22,000			
8	31/08/2024	expected return	FRS102.12	M2. 1	31,000			
8	31/08/2024	interest cost BS	FRS102.13	M2. 1		22,000		
8	31/08/2024	employer contributions	FRS102.14	M2. 1		126,000		
8	31/08/2024	Derecognition of pension surplus (BS)	FRS102.19	M2. 1		59,000		
8	31/08/2024	Derecognition of pension surplus (SOF	FRS102.20	M2. 1	59,000			
Being Pension Journal					360,000	360,000	-222,403	36,000
9	31/08/2024	710100 Building Repair and Maintenanc	710100	E1. 4		3,648		
9	31/08/2024	800050 Accruals	800050	E1. 4	3,648			
Being removal of BMS expenses that were not to be accrued <Proposed by client>					3,648	3,648	-218,755	3,648

ISA 450, "If management have corrected *material* misstatements, communicating those corrections of which the auditor is aware to those charged with governance may assist them to fulfil their governance responsibilities, including reviewing the effectiveness of the system of internal control."



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Adjusted audit differences

In forming our opinion, we note the following adjusted misstatements identified during the course of our audit:

Number	Date	Name	Account No	Reference	Debit	Credit	Net Income (Loss)	Amount Chg
10	31/08/2024	450200 Audit & Accountancy fees	450200	N1. 2	1,625			
10	31/08/2024	510950 Income: Other DfE revenue gri	510950	N1. 2		2,400		
10	31/08/2024	602010 Accrued Income	602010	N1. 2	2,400			
10	31/08/2024	800050 Accruals	800050	N1. 2		1,625		
Being client proposed JNLs								
					4,025	4,025	-217,980	775
13	31/08/2024	Unrestricted fund - transfer out	TFR.1	L4	184,792			
13	31/08/2024	Restricted fund - transfer in	TFR.2	L4		184,792		
13	31/08/2024	Fixed asset restricted fund - transf	TFR.3	L4		224,016		
13	31/08/2024	Fixed asset restricted fund - transf	TFR.4	L4	224,016			
Being fund transfer								
					408,808	408,808	-217,980	0
15	31/08/2024	Buildings Addition	HH4	E1. 1. 2	161,902			
15	31/08/2024	580150 Donated dixed assets - other	580150	E1. 1. 2		161,902		
Being journal to bring in non cash playground additions								
					161,902	161,902	-56,078	161,902
16	31/08/2024	810200 - Curriculum Materials (Consu	810200			443		
16	31/08/2024	820401- ICT Admin Licences	820401			424		
16	31/08/2024	Equipment additions	HH14.2		867			
Being late client client journal								
					867	867	-55,211	867
					941,710	941,710	-55,211	205,652

ISA 450, "If management have corrected *material* misstatements, communicating those corrections of which the auditor is aware to those charged with governance may assist them to fulfil their governance responsibilities, including reviewing the effectiveness of the system of internal control."



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Unadjusted audit differences

In forming our opinion, we note the following unadjusted misstatements (factual, judgemental, projected or arising from a prior period) identified during the course of our audit:

Number	Date	Name	Account No	Reference	Debit	Credit	Proposed Net Income (Loss)	Proposed Amount Chg		
Net Income (Loss)							-55,211			
5	31/08/2024	510150 Income: rates reclaim	510150	H1. 7	3,933					
5	31/08/2024	800100 Income in Advance	800100	H1. 7		3,933				
Being Proposal for Deferred Rent Relief					3,933	3,933	-59,144	-3,933		
11	31/08/2024	510150 Income: rates reclaim	510150	H1. 7		3,009				
11	31/08/2024	602010 Accrued Income	602010	H1. 7	3,009					
Being additional rates relief received not included					3,009	3,009	-56,135	3,009		
12	31/08/2024	602010 Accrued Income	602010	H2. 3		2,326				
12	31/08/2024	825402 Supp & Serv Costs: Other Edu	825402	H2. 3	2,326					
Being to recognise difference in Accrued income schedule to trial balance					2,326	2,326	-58,461	-2,326		
							9,268	9,268	-58,461	-3,250

ISA 450, "If uncorrected misstatements have been communicated with person(s) with management responsibilities, and those person(s) also have governance responsibilities, they need not be communicated again with those same person(s) in their governance role. The auditor nonetheless has to be satisfied that communication with person(s) with management responsibilities adequately informs all of those with whom the auditor would otherwise communicate in their governance capacity."



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Technical developments



Department
for Education



Education & Skills
Funding Agency

Timetable for submission and publication of accounts and related reports

The Accounts Direction outlines that each academy trust must submit by the 31 December 2023:

- Audited accounts, including the reporting accountant's report on regularity
- The audit findings report from the external auditors presented to those charged with governance – this should contain the:
 - findings, including ratings of the importance/risk, e.g. high/medium/low;
 - their views about significant qualitative aspects of the academy trust's accounting practices, including accounting policies, accounting estimates and financial statement disclosures;
 - significant difficulties, if any, encountered during the audit;
 - significant matters, if any, arising from the audit that were discussed, or subject to correspondence with, management and the written representations the auditor is requesting; and
 - other matters, if any, arising from the audit that, in the auditor's professional judgment, are significant to the oversight of the financial reporting process.
- An accounts submission cover (online form).
- An annual internal scrutiny report.

Related obligations:

- The accounts must be published on the academy's website by 31 January 2024;
- The Annual Accounts Return (AAR) must be submitted to the ESFA by 30 January 2024; and
- The accounts must be submitted to Companies House by 31 May 2024.

Comment:

Our Audit Findings Report summarises the fulfilment of our obligations as auditor. As Trustees/Governors, you are ultimately responsible for the correct reporting and submission deadlines required by the ESFA.



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Technical developments



Department
for Education



Education & Skills
Funding Agency

Academy Trust Handbook 2023 – key changes

The ESFA published its updated handbook in July 2023, effective 1 September 2023.

Baroness Barran has stated in her foreword to the Handbook:

“Twenty years ago, the first academy schools opened. Since then, the sector has grown in size, in variety, and maturity. My ambition is to ensure that all schools continue to provide the very best educational experience for our young people. For that to happen, given the department’s role as regulator of academy trusts we must think carefully about achieving the right balance of support, autonomy and oversight. The academy trust handbook, has played a vital role over the years in delivering clarity about the oversight framework that applies to academy trusts, helping us all provide assurance that public money is spent well. Trustees continue to take on very significant responsibilities and this is unchanged by this handbook.”

The key highlights/clarifications are:

Roles & responsibilities:

- Emphasising the importance of good estates safety and management.
- The board should have sufficient financial knowledge to hold the executive to account.
- The Accounting Officer and Chief Financial Officer should not be the same person.

Main financial requirements:

- Clarifying that 3 meetings a year of the board is expected, but more encouraged.
- Giving trusts with an additional month to submit their Budget Forecast return.
- Easing of how management accounts are prepared and circulated.
- Explaining the permissive position on electric vehicle salary sacrifice schemes with the ESFA.

Delegated authorities:

- Simplifying the position on GAG pooling.
- Refining the approval threshold for related party transactions with the ESFA.



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Technical developments



Department
for Education



Education & Skills
Funding Agency

'Dear Accounting Officer' Letter – streamlined financial oversight

The ESFA's 'Dear Accounting Officer' letter in July 2023 highlighted measures aimed at streamlining and improving the financial oversight framework of the sector, now codified within the Academies Trust Handbook 2023:

Key areas reported by the letter include:

- **Related party transactions** - A doubling of the threshold beyond which ESFA approval is required for related party transactions. From 1 September 2023 this increases from £20k to £40k. We have also removed the ESFA approval requirements for transactions with some schools, colleges and universities, and reinforced where the approval requirements do not apply to transactions with faith bodies.
- **Annual reporting** – We have removed the requirement for you to provide explanations in your annual accounts when holding fewer than 6 board meetings per year, although this in no way reduces our expectation to have regular and effective meetings.
- **Budget setting** - We are providing an additional month to submit your annual budget forecast return to us, which extends the deadline to 31 August. We appreciate this is a difficult one for us to get right, given the submission window remains over the summer. But we hope that the extension will help ease the myriad of priorities your trust will be managing at the end of each academic year.
- **Budget monitoring** – We are providing you with more discretion in the distribution of management accounts.
- **Sustainability** – We are confirming you can set up salary sacrifice schemes for electric vehicles, in most cases without our approval.



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Technical developments



Comment:

Like others in the profession, we support the Government's Bill to improve the quality of records held at Companies House but remain cautious regarding the challenges ahead.

Companies House Reform

The Government's Economic Crime and Corporate Transparency Bill achieved royal assent on the 26 October 2023. The Bill includes a series of significant reforms designed to improve the quality and value of financial information on the UK companies register, combat economic crime, whilst supporting growth in the UK.

The Bill (and Whitepaper preceding it) includes the following:

- All new and existing company directors, (and equivalents for other registrable entities), Persons with Significant Control (PSC) and anyone else submitting filings will need a verified account at Companies House.
- All companies will be required to file accounts digitally, with full tagging.
- Small companies will no longer have the option to prepare and file abridged accounts and will be required to file both their profit and loss account and directors' report (ie, the option to file "filleted" accounts will be removed).
- Micro-entities will also be required to file their profit and loss account but will continue to have the option to not prepare or file a directors' report.
- Increased powers granted to the Registrar to enable more investigations and challenges of filings.
- Limiting the number of times a company can shorten its accounting reference period (ARP) to align with the restrictions around extending its ARP.
- Options to enable companies to file financial information once a year with Government will be explored although there are no firm plans in this regard at this time.
- Time periods allowed for filing accounts will not be reduced at this time.
- Companies House fees are expected to rise following powers granted to cover its own expanded powers/costs.

Details: <https://www.gov.uk/government/publications/economic-crime-and-corporate-transparency-bill-2022-factsheets>

When? Not immediately. A number of changes will commence in early 2024, whilst others will be introduced over time as require system development and secondary legislation to action.



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Technical developments



Comment:

These changes may have significant effects for some businesses, so it is important to start preparing early so that you are ready for the 1 January 2026.

If you're not sure how the changes affect your business, please contact one of our experts who can help you understand the implications and prepare your accounts in plenty of time.

FRS102 – 2nd triennial review published

Following the consultation period, the Financial Reporting Council (FRC) has now published the 'Amendments to FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland and other FRSs – Periodic Review 2024' ("the Amendments").

The aim of this second periodic review was to produce amendments to FRS 102 to better align the Standard to IFRS, incorporating the IASB's latest proposed changes to the international financial reporting requirements. Indeed, for those who already prepare their financial statements under IFRS, the above changes will already be familiar to them.

The effective date of the amendments is for accounting periods beginning on or after 1 January 2026, with early application permitted provided all amendments are applied at the same time.

What are the key changes?

- A new model of revenue recognition (for FRS 102 and FRS 105).
- A new model of lease accounting (for FRS 102 only).
- Various other incremental improvements and clarifications.

Looking at the detail:

- Revenue recognition - a new FRS 102 Section 23 Revenue, setting out a five-step model aligned to IFRS 15. 1. Identify a contract with a customer, 2. Identify promises within the contract 3. Determine the transaction price 4. Allocate the transaction price to the promises 5. Recognise revenue when or as the entity satisfies the promise.
- Leases - a new FRS 102 Section 20 Leases, which will require almost all leases to be brought on the balance sheet if you're a lessee. Accounting for lessors will remain largely unchanged. These new requirements mean recognising a right-of-use (ROU) asset in respect of the lease contract, and a corresponding lease liability, being the present value of remaining payments under the lease.

Full text: <https://www.frc.org.uk/library/standards-codes-policy/accounting-and-reporting/uk-accounting-standards/frs-102/>



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Technical developments



Artificial intelligence (AI) in the accountancy sector

The ICAEW has published a series of articles on the topic. Their site contains a wealth of resource for those looking to leverage the current opportunities, and gain some insight into 'what next' in accounting.

<https://www.icaew.com/technical/technology/artificial-intelligence/generative-ai-guide#>

Machine learning and other AI techniques are not new, but they are rapidly evolving and transforming various domains. Business and accounting are among the fields that can benefit from AI, but they have not yet fully embraced its potential. To create a positive vision of the future, we need to understand how AI can address the challenges and opportunities in accounting and business, as well as the skills and competencies that accountants need to collaborate with intelligent systems.

The ICAEW highlight the AI tools that look to improve efficiency, insight and value including:

- Document generation: drafting documents such as proposals and reports, or producing ideas for presentations;
- Client communication: supporting client engagement, communication and correspondence tasks such as drafting letters, emails and tailored reminders;
- Document translation and summarisation: reading long documents such as contracts and providing a summary with key insights, or translating a document to another language;
- Assisting in the automation of repetitive, low-level judgement tasks, such as account categorisation;
- Software development: writing code and scripts to help with tasks, such as account reconciliations, fraud detection and complex data manipulation and analysis;
- Collating of information (for example producing a comparative list of target clients).

Comment:

Artificial intelligence (AI) systems are improving quickly and can be very powerful. They provide outputs that can be extremely accurate thus replacing and, in some cases, far superseding human efforts. IT systems and controls within your organisation are now, more than ever an important pillar of a successful enterprise.



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Technical developments



Comment:

The assessment of going concern is very much an accounting issue and not just an audit one.

If you are not sure on how to assess going concern a your next period end report, please contact one of our experts who can help understand the implications and help you prepare the accounts accordingly.

Going Concern – in an uncertain world

For those responsible for the preparation and/or approval of financial reports, there remains an ongoing challenge in ensuring financial statements contain the correct 'basis' and disclosures with regard to their 'Going Concern' state. With a backdrop of an uncertain macroeconomic environment caused by pandemic, war, supply-side challenges and corporate failures on the high street, the FRC has (re)issued its guidance on the topic:

<https://www.frc.org.uk/library/standards-codes-policy/accounting-and-reporting/annual-corporate-reporting/guidance-on-going-concern-basis/>

The following key questions must be considered:

- Has management undertaken an adequate going concern assessment?
- Have the financial statements been prepared on the correct basis (going concern, or basis other than)?
- Are the disclosures (material uncertainties) in the financial statements sufficient to ensure that a true and fair view is presented?

The assessment should match the entity's nature and size. For organisations where there is clearly some doubt as to their going concern status, the assessment would be expected to cover some or all of the following issues:

- The implications of a pandemic, war, inflation, or other 'economic shock' on income, supplies and staff.
- The expected future cash flows of the organisation for at least the period that should be covered by the review, i.e. twelve months from the date of the approval of the financial statements. Sensitize the key assumptions.
- The availability of additional sources of finance (and enforceability of) should it be required.
- Consideration of dependency on any key suppliers and staff and the implications if difficulties arise.
- If entity is part of a group, consideration of how going concern issues may be affecting the wider group and the implications for the entity.
- Consideration of any other known contingent liabilities and the potential impact on cash flow.

Management must form a conclusion based upon the issues on whether the entity is a going concern or not, and the implications for the basis of preparing the financial statements.



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Tax rates and allowances 2024/2025

Disclaimer: Rates are for guidance only. No responsibility for loss occasioned by any person acting/refraining from action as a result of this information can be accepted by the authors or Firm.

Income Tax

Rates and bands (other than savings and dividend income)

2024/25		2023/24	
Band £	Rate %	Band £	Rate %
0 - 37,700	20	0 - 37,700	20
37,701 - 125,140	40	37,701 - 125,140	40
Over 125,140	45	Over 125,140	45

Income tax rates in Scotland and Wales on income other than savings and dividend income have been devolved.

Savings income	2024/25 and 2023/24
Savings allowance basic rate	£1,000
Savings allowance higher rate	£500

A starting rate of 0% may be available unless taxable non-savings income exceeds £5,000.

Dividend income	2024/25	2023/24
Dividend allowance	£500	£1,000
Dividend ordinary rate	8.75%	8.75%
Dividend upper rate	33.75%	33.75%
Dividend additional rate	39.35%	39.35%

Income Tax Reliefs

	2024/25	2023/24
Personal allowance	£12,570	£12,570
Personal allowance income limit	£100,000	£100,000
Marriage allowance	£1,260	£1,260
Married couple's allowance	£11,080	£10,375
- minimum amount	£4,280	£4,010
- income limit	£37,000	£34,600
Blind person's allowance	£3,070	£2,870

Individual Savings Accounts

	2024/25	2023/24
Overall investment limit	£20,000	£20,000
Junior account investment limit	£9,000	£9,000

Devolved Income Tax

Scotland rates and bands

2024/25		2023/24	
Band £	Rate %	Band £	Rate %
0 - 2,306	19	0 - 2,162	19
2,307 - 13,991	20	2,163 - 13,118	20
13,992 - 31,092	21	13,119 - 31,092	21
31,093 - 62,430	42	31,093 - 125,140	42
62,431 - 125,140	45	Over 125,140	47
Over 125,140	48		

Wales rates and bands

2024/25		2023/24	
Band £	Rate %	Band £	Rate %
0 - 37,700	20	0 - 37,700	20
37,701 - 125,140	40	37,701 - 125,140	40
Over 125,140	45	Over 125,140	45

Capital Gains Tax

Individuals	2024/25	2023/24
Exemption	£3,000	£6,000
Standard rate	10%	10%
Higher/additional rate	20%	20%
Trusts		
Exemption	£1,500	£3,000
Rate	20%	20%

Higher rates (18/24% for 2024/25 and 18/28% for 2023/24) may apply to the disposal of certain residential property.

Business Asset Disposal Relief

The first £1m of qualifying gains are charged at 10%.

Inheritance Tax

Death rate	Lifetime rate	Chargeable transfers 2024/25 and 2023/24
Nil	Nil	0 - £325,000 (nil rate band)
40%	20%	Over £325,000

A further nil rate band of £175,000 may be available in relation to current or former residences.

Car, Van and Fuel Benefits

2024/25	
CO2 emissions g/km	% of list price taxed
0	2
1 - 50	
Electric range	130 or more
	70 - 129
	40 - 69
	30 - 39
	under 30
51 - 54	15
For every extra 5	+1
160 and above	37

For fully diesel cars generally add a 4% supplement (unless the car is registered on or after 1 September 2017 and meets the Euro 6d emissions standard) but the maximum is still 37%. For emissions of 75g/km or more if the CO2 figure does not end in a 5 or 0 round down to the nearest 5 or 0.

	2024/25
Car fuel benefit	£27,800
Van benefit	£3,960
Van fuel benefit	£757

Tax Reliefs for Individuals

2024/25 and 2023/24

Enterprise Investment Scheme (EIS)

Relief on investments in certain unquoted trading companies up to £1m per annum (£2m for knowledge intensive companies):

- Income tax relief at 30% • Capital gains exemption on disposal
- Unlimited amounts of capital gains from the disposal of other assets may be able to be deferred by making an EIS investment.

Seed Enterprise Investment Scheme (SEIS)

Relief on investments in certain unquoted trading companies up to £200,000 per annum:

- Income tax relief at 50% • Capital gains exemption on disposal
- Capital gains from the disposal of other assets may be exempt up to £100,000 per annum by making an SEIS investment.

Venture Capital Trusts (VCTs)

Relief on investments in certain quoted companies up to £200,000 per annum:

- Income tax relief at 30% • Capital gains exemption on disposal
- Dividends received from VCTs may be exempt from income tax.



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Tax rates and allowances 2024/2025

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Selected Rates

	2024/25	2023/24
Weekly benefit	£	£
New State Pension	221.20	203.85
Old State Pension	169.50	156.20
Statutory pay standard rates - average weekly earnings £123 (£123) or over		
Sick Pay	116.75	109.40
Maternity/Adoption Pay	184.03	172.48
Shared Parental Pay	184.03	172.48
Paternity Pay	184.03	172.48

National Living Wage and National Minimum Wage

Age	NLW	18-20	16-17	Apprentices
From 1 April 2024	£11.44	£8.60	£6.40	£6.40

Applies to apprentices under 19 or 19 and over in the first year of apprenticeship.
NLW applies to those aged 21 and over.

National Insurance

2024/25 Class 1 (employed) rates			
Employee		Employer	
Earnings per week	%	Earnings per week	%
Up to £242	Nil	Up to £175	Nil
£242.01 - £967	8	Over £175	13.8
Over £967	2		

Entitlement to contribution-based benefits for employees retained for earnings between £123 and £242 per week. The employer rate is 0% for certain military veterans, employees under 21 and apprentices under 25 on earnings up to £967 per week.

Class 1A (employers)	13.8% on employee taxable benefits
Class 1B (employers)	13.8% on PAYE Settlement Agreements
Class 2 (self-employed)	nil (£3.45 per week where those with profits below £6,725 wish to make a voluntary contribution)
Class 3 (voluntary)	flat rate per week £17.45
Class 4 (self-employed)	6% on profits between £12,570 and £50,270 plus 2% on profits over £50,270

Corporation Tax

Years to 31.3.24 and 31.3.25	Profits band	Rate %
Small profits rate	£0 - 50,000	19
Marginal rate	50,001 - 250,000	26.5
Main rate	Over 250,000	25
Marginal relief fraction	3/200	

Profits limits are reduced for a company with associated companies. Different rates apply for ring-fenced (broadly oil industry) profit.

Capital Allowances

First Year Allowance (FYA) on certain plant, machinery and cars of 0g/km (for cars purchased before 1 April 2025)	100%
Corporation tax FYA ('full expensing') on certain new, unused plant and machinery from 1 April 2023	100%
Corporation tax FYA on new, unused long-life assets, integral features of buildings, etc. from 1 April 2023	50%
Annual Investment Allowance £1,000,000 excluding cars	
Writing Down Allowance	
Long-life assets, integral features of buildings, cars over 50g/km	6%
Other plant and machinery	18%
Structures and Buildings Allowance	3%

Pensions

	2024/25	2023/24
Lifetime Allowance (LA) limit	No LA charge	No LA charge
Annual Allowance limit	£60,000	£60,000
Money Purchase Annual Allowance	£10,000	£10,000

Value Added Tax

	From 1.4.24	From 1.4.23
Standard rate	20%	20%
Reduced rate	5%	5%
Annual Registration Limit	£90,000	£85,000
Annual Deregistration Limit	£88,000	£83,000

Property Taxes

Across the whole of the UK, residential rates may be increased by 3% (4% in Wales and 6% in Scotland) where further residential properties are acquired.

Stamp Duty Land Tax

Land and buildings in England and N. Ireland

Residential* Band £	Rate %	Non-residential Band £	Rate %
0 - 250,000	0	0 - 150,000	0
250,001 - 925,000	5	150,001 - 250,000	2
925,001 - 1,500,000	10	Over 250,000	5
Over 1,500,000	12		

First-Time Buyer relief may apply to residential purchases up to £625,000.* *The residential property rules are scheduled to change from 1 April 2025.

Land and Buildings Transaction Tax

Land and buildings in Scotland

Residential Band £	Rate %	Non-residential Band £	Rate %
0 - 145,000	0	0 - 150,000	0
145,001 - 250,000	2	150,001 -	1
250,001 - 325,000	5	250,000	5
325,001 - 750,000	10	Over 250,000	
Over 750,000	12		

First-Time Buyer relief may apply on the first £175,000 of residential purchases.

Land Transaction Tax

Land and buildings in Wales

Residential Band £	Rate %	Non-residential Band £	Rate %
0 - 225,000	0	0 - 225,000	0
225,001 - 400,000	6	225,001 - 250,000	1
400,001 - 750,000	7.5	250,001 - 1,000,000	5
750,001 - 1,500,000	10	Over 1,000,000	6
Over 1,500,000	12		



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Hillier Hopkins at a glance



Top 50 firm in the UK as ranked by Accountancy Age

Three strategically located offices in

Founded in 1933

- Central London (Pall Mall) 
- Watford (20 mins by train from central London) 
- Milton Keynes (35 mins by train from central London) 



Approximately 250 staff including 19 Principals

Who we work with

We work with everyone from fledgling entrepreneurs right up to international companies.



Committed to sustainability

It is important to us that we support the communities we work in and look after the planet we inhabit. Through our annual program of sponsorship, fundraising and volunteering.

What do we do?

Our services include the obvious like accounts, tax and audit. However, where we can really add value is with our advisory expertise in everything from cloud accounting a setting up Xero to tax advisory and business valuations.

We also provide many other not so typical services for a firm of our size such as - customs advisory and declarations, outsourcing for international businesses, wealth management services, Probate services and US tax.

Independent members of TGS



Connecting us to 4200 accountants, lawyers and professional staff in 58 countries worldwide.

Countries of client ownership include



Specialist expertise



Real estate & construction



Import / Export



Manufacturing



Business services



TMT



Education



Financial services & asset management



Hospitality & leisure



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Our core values and accreditation



Our Core Values

Our firm's philosophy of "*friendly expertise*" is built on a commitment to our Core Values. You will find our team knowledgeable, friendly and cooperative. They will spend time with you to really understand the business, actively engaging and collaborating with you to help you meet your challenges and achieve your goals. Our Core Values were developed collaboratively by our staff and principals. They underpin our training and review process and our appraisal and personal development programme.

- Our Core Values are: Do the right thing, Expertise, Ownership, Positive collaboration and Making time.



Quality assurance

Hillier Hopkins LLP undergoes a number of quality assurance measures including the following:

- Chartered Accountants: We are fully subscribed to the training and technical requirements as set down by the Institute of Chartered Accountants in England and Wales (ICAEW) and subject to their periodic QAD quality checks.
- Internal file reviews: Performed throughout the year by managers from across the firm.
- External audit file reviews: Performed by Mercia (Professional Training and Support Services) and other ICAEW accredited bodies.



Investors in People

Hillier Hopkins LLP invests heavily in staff training and has held the "Investor in People" (IIP) accreditation since 1996. We were one of the first accountancy firms in Hertfordshire to be awarded the IIP accreditation.



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Sustainability

The staff and Principals at Hillier Hopkins are committed to having a positive impact on the world. As independent members of TGS, a global network of professionals, we are also signatories to the UNs Global Compact on Sustainable Development Goals (SDGs).



Highlights from our Sustainability Impact Report

Employee engagement and building partnerships with other organisations and groups have been key to our successes so far. Regular staff surveys help to understand sentiment and set priorities for our sustainability programme.

Community action

In 2023, litter picks have collected 270 bags of refuse and recycling from our community spaces.

Procurement and waste

In 2023, our soft plastics collection has removed 63 bags of rubbish from landfill.

We're reducing our carbon emissions

Our energy supply (where we are able to independently select energy suppliers for our offices) is 100% renewable

Next steps

Where do we go from here? Sustainability reports are not just about looking back, but also looking forward. Here we highlight three of our highest priorities to tackle next.

Education

Design a programme of basic business finance for beginners and offer to users of local organisations and charities. To inspire entrepreneurship and provide opportunities to prosper.

Carbon reduction

Develop a carbon reduction plan with ambitious targets for reducing carbon emissions throughout our offices.

Equality

Develop a mentoring programme to provide encouragement and inspiration all employees to progress and excel.



Looking after our people



Looking after our community



Looking after our world



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Other Services

Our experts - here to help you
Hillier Hopkins has a variety of experts within the firm who are available to work with you (*).

They are on hand to provide both long term, proactive advice and practical solutions to any business challenges and opportunities that arise.

For further information, please speak to your regular contact, or visit our website:

<https://hillierhopkins.co.uk/services>

*Compliance and advisory on:
raising finance & EIS share ownership & EMI, R&D & Patent Box, property, taxation - SDLT, ATED & Capital Allowances*



*A reliable and efficient tax compliant service
Tax planning such as Capital Gains Tax and estate planning
International tax*

*Cross border VAT
Making Tax Digital and bridging software
Brexit advisory*



Free up internal resources with our reliable and accurate outsourced services such as bookkeeping, management accounts, payroll and company secretary

Strategy and planning facilitation and support for non-exec directors such as: exit and succession planning, mergers & acquisitions, selling the business



*Delivered by SATIS Wealth, part of the Hillier Hopkins family
Highly experienced team with Big4 and mid-tier backgrounds
Retirement Planning and investment structuring*

*Recommended tax efficient employee benefits
Take care of time consuming P11d forms and annual submission to HMRC*



*Experienced team to handle any investigations by, or disputes with HMRC
Negotiating on your behalf
Fee protection service available to clients*

* Non-audit services are subject to certain Ethical Standard safeguards, or in some cases are prohibited.



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Independent member of



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